

NOVEMBER 9, 1992

THE DIRECTOR OF THE DIVISION OF STATE LANDS & FORESTRY TOOK FORMAL ACTION ON NOVEMBER 9, 1992, AT 9:30 A.M. IN THE DIVISION OF STATE LANDS & FORESTRY OFFICE, 355 WEST NORTH TEMPLE, 3 TRIAD CENTER, SUITE 400, SALT LAKE CITY, UTAH 84180-1204, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

* * * * *

MINERAL ESTATE BUSINESS MATTERS

* * * * *

TOTAL ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of the lease listed below to Rod Markham, 1500 Broadway, Suite 1212, Lubbock, TX 79401-3192, by R.E. McDonald, Trustee. No override.

LEASE OWNERSHIP: R.E. MCDONALD, TRUSTEE

....ML 43043....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the lease listed below to Rod Markham, 1500 Broadway, Suite 1212, Lubbock, TX 79401-3192, by Robert E. McDonald, Trust. No override.

LEASE OWNERSHIP: ROBERT E. MCDONALD, TRUST

....ML 43826....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the lease listed below to Meridian Oil Inc., 5613 DTC Parkway, Englewood, CO 80111-3028, by Celsius Energy Company, who reserves 7.5% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: CELSIUS ENERGY COMPANY

....ML 40778....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the leases listed below to Evertson Oil Company, Inc., P.O. Box 397, Kimball, NE 69145, by Coors Energy Company. No override.

LEASE OWNERSHIP: COORS ENERGY COMPANY

....ML 40058....ML 43538....

TOTAL ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Director approved the assignment of the lease listed below to Evertson Oil Company, Inc., P.O. Box 397, Kimball, NE 69145, by Coors Energy Company. No override, but subject to 4.166% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: COORS ENERGY COMPANY

....ML 44241....

INTEREST ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 60% interest and to the lease listed below to Atlantic Richfield Company (50%), 600 Marienfeld, P.O. Box 1610, Midland, TX 79702, Norman H. Foster (3%), 1625 Broadway, Suite 530, Denver, CO 80202, Richard R. Vincelette (3%), 1625 Broadway, Suite 530, Denver, CO 80202, A.G. Andrikopoulos Resources, Inc. (3%), P.O. Box 788, Cheyenne, WY 82003, and M.S. Johnson (1%), 518-17th Street, 520 Denver Club Building, P.O. Box 2904, Denver, CO 80201, by North Central Oil Corporation, who reserves 1.25% overriding royalty, in addition to 5% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: NORTH CENTRAL OIL CORPORATION

....ML 44031....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 60% interest and to the lease listed below to Atlantic Richfield Company (50%), 600 Marienfeld, P.O. Box 1610, Midland, TX 79702, Norman H. Foster (3%), 1625 Broadway, Suite 530, Denver, CO 80202, Richard R. Vincelette (3%), 1625 Broadway, Suite 530, Denver, CO 80202, A.G. Andrikopoulos Resources, Inc. (3%), P.O. Box 788, Cheyenne, WY 82003, and M.S. Johnson (1%), 518-17th Street, 520 Denver Club Building, P.O. Box 2904, Denver, CO 80201, by North Central Oil Corporation, who reserves 2.5% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: NORTH CENTRAL OIL CORPORATION

....ML 44950....

OPERATING RIGHTS ASSIGNMENT--OIL, GAS, AND HYDROCARBON

Upon recommendation of Mr. Bonner, the Director approved the assignment of 100% interest in operating rights from the surface of the earth down to, but not below, the stratigraphic equivalent depth of 7187 feet reached in the NBU #41-J Well located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 31, T9S, R22E, SLB&M., in part of lands: Lot 3 Sec. 31, T9S, R22E, SLB&M., 28.06 acres, in and to the lease listed below to Coastal Oil & Gas Corporation, 600 17th Street, Suite 800-S, P.O. Box 749, Denver, CO 80201-0749, by Coastal 1982 Drilling Joint Venture. No override.

LEASE OWNERSHIP: GILMAN A. HILL
OPERATING RIGHTS:
T9S, R22E, SLB&M. 28.06 ACRES
Sec. 31: Lot 3
COASTAL 1982 DRILLING JOINT VENTURE--100%

....ML 23607....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 100% interest in operating rights from the surface of the earth down to base of Green River Formation, ALSO, assignment of 33.33% interest in operating rights from the base of the Green River Formation (4822') down to, but not below, the stratigraphic equivalent depth of 7361 feet reached in the NBU #213-36(J) Well located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 36, T9S, R22E, SLB&M., BOTH assignments in part of leased lands: NE $\frac{1}{4}$ Sec. 36, T9S, R22E, SLB&M., 160.00 acres, in and to the lease listed below to Coastal Oil & Gas Corporation, 600 17th Street, Suite 800-S, P.O. Box 749, Denver, CO 80201-0749, by Coastal 1982 Drilling Joint Venture. No override.

LEASE OWNERSHIP: ATLANTIC RICHFIELD COMPANY
OPERATING RIGHTS: FROM SURFACE TO BASE OF GREEN RIVER FORMATION (4822')
T9S, R22E, SLB&M.
Sec. 36: NE $\frac{1}{4}$
COASTAL 1982 DRILLING JOINT VENTURE--100%
BASE OF GREEN RIVER (4822') TO 7275 FEET
T9S, R22E, SLB&M.
Sec. 36: NE $\frac{1}{4}$
ENRON OIL & GAS COMPANY--66.67%, AND
COASTAL 1982 DRILLING JOINT VENTURE--33.33%
7275 FEET TO 7361 FEET
T9S, R22E, SLB&M.
Sec. 36: NE $\frac{1}{4}$
ENRON OIL & GAS COMPANY--66.67%, AND
COASTAL 1982 DRILLING JOINT VENTURE--33.33%

....ML 22650....

PAGE NO. 4
NOVEMBER 9, 1992

OPERATING RIGHTS ASSIGNMENT--OIL, GAS, AND HYDROCARBON (CONT'D)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 16.248958% interest in operating rights covering the unit agreement and plan of unitization for development and operation of Monument Butte (Green River "D") Unit Area from the surface to the base of the Green River Formation in part of leased lands: N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 2, T9S, R16E, SLB&M., in and to the lease listed below to James Fischgrund and Beverly Fischgrund, 1025 North Crescent Drive, Beverly Hills, CA 90210, by James Fischgrund. No override.

LEASE OWNERSHIP: NGC ENERGY COMPANY--75%, AND
RAYMOND CHORNEY--25%
OPERATING RIGHTS: COVERING THE UNIT AGREEMENT AND
PLAN OF UNITIZATION FOR DEVELOPMENT AND OPERATION OF
THE MONUMENT BUTTE (GREEN RIVER "D") UNIT AREA FROM
SURFACE TO BASE OF GREEN RIVER FORMATION
T9S, R16E, SLB&M.
Sec. 2: N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$
LOMAX EXPLORATION COMPANY--27.889501%,
CODY RESOURCES, INC.--18.72308%,
JAMES FISCHGRUND--16.248958%,
LOMAX MONUMENT BUTTE WATERFLOOD, INC.--
13.498884%,
CODRINGTON OIL AND GAS PARTNERS--3.545999%,
WHITEHALL ENERGY CORPORATION--3.0066595%,
MARIAN BRENNAN--4.5%,
TEXAS GENERAL RESOURCES CORPORATION--2%,
NATURAL GAS CORPORATION OF CALIFORNIA--
2.739142%,
CHORNEY OIL COMPANY--1.555718%,
RAYMOND H. BRENNAN--1.004914%,
INTERNATIONAL DRILLING RESOURCES INC.--1%,
RAYMOND CHORNEY--.903671%,
DAVIS BROTHERS--.712753%,
WHITEHALL AFFILIATED PARTNERS I--.6776555%,
JACK WARREN--.518462%,
ALLAN C. KING--.518462%,
DOROTHY M. LOMAX TESTAMENTARY TRUST--
.40527%,
DAVIS RESOURCES--.356355%, AND
WILLIAM H. SCHROEDER--.194516%,

....ML 21839....

OPERATING RIGHTS ASSIGNMENT--OIL, GAS, AND HYDROCARBON (CONT'D)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 16.248958% interest in operating rights covering the unit agreement and plan of unitization for development and operation of Monument Butte (Green River "D") Unit Area from the surface to the base of the Green River Formation in part of leased lands: $W\frac{1}{2}W\frac{1}{2}$, $SE\frac{1}{4}NW\frac{1}{4}$, $NE\frac{1}{4}SW\frac{1}{4}$ Sec. 36, T8S, R16E, SLB&M., in and to the lease listed below to James Fischgrund and Beverly Fischgrund, 1025 North Crescent Drive, Beverly Hills, CA 90210, by James Fischgrund. No override.

LEASE OWNERSHIP: NGC ENERGY COMPANY--75%, AND
CHORNEY OIL COMPANY--25%
OPERATING RIGHTS: COVERING THE UNIT AGREEMENT AND
PLAN OF UNITIZATION FOR DEVELOPMENT AND OPERATION OF
THE MONUMENT BUTTE (GREEN RIVER "D") UNIT AREA FROM
SURFACE TO BASE OF GREEN RIVER FORMATION
T9S, R16E, SLB&M.
Sec. 36: $W\frac{1}{2}W\frac{1}{2}$, $SE\frac{1}{4}NW\frac{1}{4}$, $NE\frac{1}{4}SW\frac{1}{4}$
LOMAX EXPLORATION COMPANY--27.889501%,
CODY RESOURCES, INC.--18.72308%,
JAMES FISCHGRUND--16.248958%,
LOMAX MONUMENT BUTTE WATERFLOOD, INC.--
13.498884%,
CODRINGTON OIL AND GAS PARTNERS--3.545999%,
WHITEHALL ENERGY CORPORATION--3.0066595%,
MARIAN BRENNAN--4.5%,
TEXAS GENERAL RESOURCES CORPORATION--2%,
NATURAL GAS CORPORATION OF CALIFORNIA--
2.739142%,
CHORNEY OIL COMPANY--1.555718%,
RAYMOND H. BRENNAN--1.004914%,
INTERNATIONAL DRILLING RESOURCES INC.--1%,
RAYMOND CHORNEY--.903671%,
DAVIS BROTHERS--.712753%,
WHITEHALL AFFILIATED PARTNERS I--.6776555%,
JACK WARREN--.518462%,
ALLAN C. KING--.518462%,
DOROTHY M. LOMAX TESTAMENTARY TRUST--
.40527%,
DAVIS RESOURCES--.356355%, AND
WILLIAM H. SCHROEDER--.194516%,

....ML 22061....

OVERRIDING ROYALTY ASSIGNMENT--OIL, GAS, AND HYDROCARBON

Upon recommendation of Mr. Bonner, the Director approved the assignment of 6.25% overriding royalty interest below the stratigraphic equivalent depth of 7187 feet reached in the NBU #41-J Well located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 31, T9S, R22E, SLB&M., down to, but not below, the top of the Mancos Formation which is defined as the stratigraphic equivalent of the correlation point established at the depth of 9732 feet below K.B. in the Chapita Wells Unit #5 Well drilled by Belco Petroleum Corporation in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 22, T9S, R22E, SLB&M., in part of lands: Lot 3 Sec. 31, T9S, R22E, SLB&M., 28.06 acres, in and to the lease listed below to Coastal Oil & Gas Corporation, 600-17th Street, Suite 800-S, P.O. Box 749, Denver, CO 80201-0749, by Coastal 1982 Drilling Joint Venture.

LEASE OWNERSHIP: GILMAN A. HILL
OVERRIDING ROYALTY INTEREST: BELOW THE
STRATIGRAPHIC EQUIVALENT DEPTH OF 7187 FEET REACHED
IN THE NBU #41-J WELL LOCATED IN THE NW $\frac{1}{4}$ SW $\frac{1}{4}$ SEC. 31,
T9S, R22E, SLB&M., DOWN TO, BUT NOT BELOW, THE TOP
OF THE MANCOS FORMATION WHICH IS DEFINED AS THE
STRATIGRAPHIC EQUIVALENT OF THE CORRELATION POINT
ESTABLISHED AT THE DEPTH OF 9732 FEET BELOW K.B. IN
THE CHAPITA WELLS UNIT #5 WELL DRILLED BY BELCO
PETROLEUM CORPORATION IN THE NE $\frac{1}{4}$ SW $\frac{1}{4}$ SEC. 22, T9S,
R22E, SLB&M
T9S, R22E, SLB&M. 28.06 ACRES
Sec. 31: Lot 3
COASTAL 1982 DRILLING JOINT VENTURE--6.25%

....ML 23607....

OVERRIDING ROYALTY ASSIGNMENT--OIL, GAS, AND HYDROCARBON (CONT'D)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 6.25% overriding royalty interest below the stratigraphic equivalent depth of 7361 feet reached in the NBU #212-36(J) Well located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 36, T9S, R22E, SLB&M., down to, but not below, the top of the Mancos Formation which is defined as the stratigraphic equivalent of the correlation point established at the depth of 9732 feet below K.B. in the Chapita Wells Unit #5 Well drilled by Belco Petroleum Corporation in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 22, T9S, R22E, SLB&M., in part of lands: NE $\frac{1}{4}$ Sec. 36, T9S, R22E, SLB&M., 160.00 acres, in and to the lease listed below to Coastal Oil & Gas Corporation, 600-17th Street, Suite 800-S, P.O. Box 749, Denver, CO 80201-0749, by Coastal 1982 Drilling Joint Venture.

LEASE OWNERSHIP: ATLANTIC RICHFIELD COMPANY
OVERRIDING ROYALTY INTEREST: BELOW THE
STRATIGRAPHIC EQUIVALENT DEPTH OF 7361 FEET REACHED
IN THE NBU #213-36(J) WELL LOCATED IN THE NE $\frac{1}{4}$ NE $\frac{1}{4}$
SEC. 36, T9S, R22E, SLB&M., DOWN TO, BUT NOT BELOW,
THE TOP OF THE MANCOS FORMATION WHICH IS DEFINED AS
THE STRATIGRAPHIC EQUIVALENT OF THE CORRELATION
POINT ESTABLISHED AT THE DEPTH OF 9732 FEET BELOW
K.B. IN THE CHAPITA WELLS UNIT #5 WELL DRILLED BY
BELCO PETROLEUM CORPORATION IN THE NE $\frac{1}{4}$ SW $\frac{1}{4}$ SEC. 22,
T9S, R22E, SLB&M
T9S, R22E, SLB&M. 160.00 ACRES
Sec. 36: NE $\frac{1}{4}$
COASTAL 1982 DRILLING JOINT VENTURE--6.25%

....ML 22650....

TOTAL ASSIGNMENTS--METALLIFEROUS MINERALS LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of the lease listed below to Lisbon Copper Ltd., 6503 South 1090 West, Murray, UT 84123, by Joseph F. and Joyce L. Costanza. No override.

LEASE OWNERSHIP: JOSEPH F. AND JOYCE L. COSTANZA

....ML 20569....

* * * * *

EXPIRATION OF OIL, GAS, AND HYDROCARBON LEASES

The Oil, Gas, and Hydrocarbon leases listed below have reached the end of their terms and expired on the dates listed. These leases should be terminated and the acreage offered for lease through the Division's Simultaneous Filing Process.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>County/Acres</u> <u>Expiration Date</u>
ML 27149	The Native Asphalt Company	<u>T5S, R21E, SLB&M.</u> Sec. 23: Lots 1, 2, 3, 6, 7, 8, 9, 10, 11, SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 24: W $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 26: E $\frac{1}{2}$ Sec. 35: NE $\frac{1}{4}$ NE $\frac{1}{4}$	Uintah County 805.97 acres October 15, 1992
ML 35709	The Native Asphalt Company	<u>T5S, R21E, SLB&M.</u> Sec. 25: Lots 1, 7 <u>T5S, R22E, SLB&M.</u> Sec. 30: Lot 4, SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 31: Lots 1, 2, 4, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ Sec. 32: N $\frac{1}{2}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$	Uintah County 790.58 acres October 15, 1992
U-51538-ST	Lockard & Robbins, Inc.	<u>T30S, R1E, SLB&M.</u> Sec. 23: All Sec. 24: All	Wayne County 1,280.00 acres October 31, 1992

Upon recommendation of Mr. Bonner, the Director approved the expiration of the Oil, Gas, and Hydrocarbon leases listed above.

PAGE NO. 9
NOVEMBER 9, 1992

APPROVAL OF THE SCORPION UNIT

Ampolex (Texas) Inc., operator of the Scorpion Unit, has furnished this office with evidence that this unit was approved by the Bureau of Land Management on October 21, 1992.

The records of the following lease should be noted to show this approval.

ML 45016 Ampolex (Texas), Inc.

This lease has been committed to the unit.

Upon recommendation of Mr. Bonner, the Director noted the approval of this unit by the BLM.

TERMINATION OF THE CACTUS PARK UNIT

Ampolex (Texas) Inc., operator of the Cactus Park Unit, has furnished this office with evidence that this unit was terminated by the Bureau of Land Management of October 30, 1992.

The records of the following leases should be noted to show the termination of this unit.

ML 41078 SonJa V. McCormick
ML 45014 Ampolex (Texas), Inc.

The term of ML 41078 will be extended to October 30, 1994, by the termination of this unit. The term of ML 45014 is not affected by the termination of this unit.

Upon recommendation of Mr. Bonner, the Director noted the termination of this unit by the Bureau of Land Management and approved the extension of ML 41078.

PAGE NO. 10
NOVEMBER 9, 1992

CONTRACTION OF THE COTTONWOOD WASH UNIT

Enserch Exploration Inc., operator of the Cottonwood Wash Unit, has furnished this office with evidence that the Bureau of Land Management approved the contraction of this unit effective March 26, 1992.

The records of the following leases should be noted to show they have been eliminated from this unit by the unit contraction.

ML 22347	Chevron USA Inc.
ML 22347-A	EP Operating LTD
ML 42208	Universal Resources Corporation etal
ML 42209	Universal Resources Corporation etal

The term of ML 22347 will be extended to March 26, 1994. The terms of ML 22347-A, ML 42208, and ML 42209 are not affected. With this unit contraction, there are no State of Utah leases remaining within the Cottonwood Wash Unit.

Upon recommendation of Mr. Bonner, the Director noted the contraction of the Cottonwood Wash Unit and approved the extension of ML 22347.

CONTRACTION OF THE EAST BENCH UNIT

Enserch Exploration Inc., operator of the East Bench Unit, has furnished this office with evidence that the Bureau of Land Management approved the contraction of this unit effective July 30, 1992.

The records of the following leases should be noted to show they have been eliminated from this unit by the unit contraction.

ML 22348-A	EP Operating Company LTD
ML 36169	Enron Oil & Gas Company
ML 42191	Universal Resources Corporation etal
ML 42192	Universal Resources Corporation etal
ML 42212	Universal Resources Corporation etal

The term of ML 36169 will be extended to July 30, 1994. The terms of ML 22348-A, ML 42191, ML 42192, and ML 42212 are not affected. With this unit contraction, there are no State of Utah leases remaining within the East Bench Unit.

Upon recommendation of Mr. Bonner, the Director noted the contraction of the East Bench Unit and approved the extension of ML 36169.

PAGE NO. 11
NOVEMBER 9, 1992

SUSPENSION OF OPERATIONS AND EXTENSION OF PRIMARY TERM FOR STATE OF UTAH
OIL, GAS, AND HYDROCARBON LEASE ML 40301

During November 1991, the Division of Natural Resources of the Navajo Nation required Sunfield Energy to suspend all oil and gas activities in the McCracken Mesa Extension Area pending a legal review of the public law under which the lands were added to the Navajo Indian Reservation. This no surface activity requirement was directed to Sunfield Energy in response to its application with the Navajo Nation to conduct seismic operations on the surface of the lands. Consequently, because the Navajo Nation possesses jurisdictional rights as a sovereign nation, Sunfield Energy was prohibited from conducting any surface activities whatsoever on the lands.

Sunfield Energy applied to the United States Bureau of Land Management for the suspension of lease operations of the federal leases. In response to Sunfield Energy's request, the Bureau of Land Management granted the suspension of operations for federal leases for a seven month period.

State of Utah Oil, Gas, and Hydrocarbon Lease ML 40301 is scheduled to expire November 30, 1992. Sunfield Energy has requested an additional seven month extension of lease terms to enable them to complete geologic and seismic investigation of the McCracken Mesa Area for possible exploratory unit designation.

Upon recommendation of Mr. Bonner and in accordance with the terms of ML 40301 regarding diligent operations, the Director approved the extension of the primary term of ML 40301 as described above.

RELEASE OF STATE OF UTAH BOND OF LESSEE, BOND NO. 726 E 6544

On January 14, 1980, the Director accepted a \$25,000 bond from Page Petroleum Inc., to cover oil and gas exploration and development operations on State of Utah Oil, Gas, and Hydrocarbon Lease ML 25431. The surety is The Travelers Indemnity Company, Bond No. 726 E 6544.

Page Petroleum Inc., has requested release of this bond as they no longer have an interest in the Ute Tribal O-1 Well and their lease interest terminated upon cancellation of ML 25431.

The Division's Auditing Section has been apprised of this requested release, have reviewed Division records, and agree that Bond No. 726 E 6544 should be released.

Upon recommendation of Mr. Bonner, the Director approved the release of State of Utah Bond of Lessee, Bond No. 726 E 6544.

PAGE NO. 12
NOVEMBER 9, 1992

REQUEST FOR RELEASE OF STATEWIDE OIL AND GAS DRILLING BOND

On December 23, 1985, the Director accepted a \$25,000 State of Utah Statewide Bond of Lessee from Total Petroleum, Inc., to cover their oil and gas exploration and development operations on State lands. The surety is Safeco Insurance Company of America, Bond No. 4720155.

Total Petroleum, Inc., has requested release of this bond as they no longer have an interest in oil and gas exploration and development operations covered under this bond.

The Division's Accounting Section has been apprised of this requested release, reviewed Division records, assessed and then received additional proceeds owed by Total Petroleum Inc., and agree that Bond No. 4720155 should be released.

Upon recommendation of Mr. Bonner, the Director approved the release of Statewide Bond of Lessee, Bond No. 4720155.

* * * * *

SURFACE ESTATE BUSINESS MATTERS

* * * * *

GRAZING PERMITS

ASSIGNMENT OF GRAZING PERMIT NO. 20566

Charles R. Kippen & Sons, Morgan, Utah 84050, has requested permission to assign 100% of its interest in the above-referenced grazing permit to Sherie Rae Goring, 9940 N. Highway 69, Dewyville, Utah 84309 (Phone 257-3889). Carl Sheetz of the Elko, Nevada BLM office, confirmed that this State land is within the BLM allotment being issued to the Gorings. The assignment fee of \$183.10, based on 183.10 AUM's at \$1.00/AUM, has been submitted.

Upon recommendation from Mr. Wall, Mr. Carter approved the assignment of GP 20566.

AMENDED GRAZING PERMIT NO. 20566 (ADDITION OF ACREAGE)

Sherie Rae Goring, 9940 N. Highway 69, Dewyville, Utah 84309, has requested the following-described land be added to her newly assigned permit, GP 20566. Bill Baker, manager of the Wells BLM Resource Area, has confirmed that this land, which was dropped by Simplot, would be acceptable in GP 20566.

<u>T1N, R18W, SLB&M</u>	Tooele County
Sec. 16: All	640.00 acres
	20 AUM's

This permit will now contain 5,766.65 acres, equaling 203.10 AUM's. Grazing rental in the amount of \$45.40 based on the additional 20 AUM's at \$2.27/AUM, plus \$1.00 weed fee (20 AUM's at \$0.05/AUM), and a \$20.00 amendment fee, for a total of \$66.40, was submitted.

Upon recommendation from Mr. Wall, Mr. Carter approved the amendment of GP 20566 as described above.

* * * * *

EASEMENT

ASSIGNMENT OF ROW 2890

Pursuant to R640-40-1600, Coors Energy Company, PO Box 467, Golden, Colorado 80402, request permission to assign 100% of their interest in the above-referenced right of way to Evertson Oil Company, Inc, PO Box 397, Kimball, Nebraska 69145. The \$20.00 assignment fee has been submitted.

Upon the recommendation of Mr. Bagley, the Director approved the assignment of ROW 2890.

* * * * *

RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 3641

On November 4, 1992, Richard J. Buehler, Northern Regional Manager, pursuant to R640-41 and in accordance with direction and delegation of authority, approved the request of Ocean Star International, PO Box 643, Snowville, Utah 84336, to conduct their Brine Shrimp harvesting operation on the Great Salt Lake on the following Sovereign land:

T2N, R6W, SLB&M
Section 8: NE4

COUNTY: Tooele FUND: School ACRES: 160.00

The fee for this is \$300.00, plus \$50.00 application fee equals \$350.00.

In accordance with direction and delegation of the Director, Mr. Buehler approved ROE 3641 with an expiration date of September 30, 1993.

RIGHTS OF ENTRY (CONT'D)

RIGHT OF ENTRY NO. 3642

On November 4, 1992, Richard J. Buehler, Northern Regional Manager, pursuant to R640-41 and in accordance with direction and delegation of authority, approved the request of Ken Guest, DBA Powder Ridge Ski Touring, 7124 West HWY 30, Petersboro, Utah 84325, to conduct a ski touring business on the following trust land:

Township 14 North, Range 3 East, SLB&M

Section 15: all
Section 16: E2
Section 21: N2
Section 22: W2
Section 23: all but the SE4SE4
Section 28: S2
Section 29: S2
Section 32: all

COUNTY: Cache FUND: School ACRES: 3,480.00

The fee for this is \$400.00, plus \$50.00 application fee equals \$450.00.

In accordance with direction and delegation of the Director, Mr. Buehler approved ROE 3642 with an expiration date of October 31, 1993.

AMENDED RIGHT OF ENTRY NO. 3640

Camay Court Productions, Sunbird Building, South Highway 191, Moab, UT 84532, was granted the above-referenced right of entry on October 23, 1992, and is requesting to extend the shooting time an additional day. On October 30, 1992, approval was given by the S.E. Area Land Specialist to amend this permit. The fee for this amended right of entry is \$100/day, plus a \$20.00 amendment fee, totals \$120.00; school fund, which was submitted. The expiration date will remain the same. Grand County.

In accordance with direction and delegation of authority from Mr. Storey, Mr. Parmenter approved the amendment of Right of Entry No. 3640.

* * * * *

SPECIAL USE LEASES

SPECIAL USE LEASE NO. 705 (ANNUAL REVIEW)

SULA No. 705 is leased to Carlyle D. Peterson, La Sal Route, Moab, UT 84532.

ANNUAL RENTAL

The annual review date for this lease was August 31, 1992. The subject property is leased as an agricultural development to produce vegetables and berries. Based upon the Board-approved index and minimum rental, it is recommended that the lease fee be increased from \$257.75 to \$400.00 per year. This shall become effective September 1, 1992. This represents a 36% increase for this lease during this past year. A certified notice was sent to the lessee. No response was received.

New lease fee: \$400.00 divided by Acres in Lease: 12.20 = \$/Acres: \$32.79

DUE DILIGENCE

The development allowed by this lease has occurred. It is recommended that the lease be kept in force.

PROPER USE

The leased premises are being used in accordance with the lease agreement.

ADEQUATE BOND COVERAGE - A bond was not required.

ESTABLISHMENT OF WATER RIGHTS - There are no water rights associated with this lease.

POLLUTION AND SANITATION REGULATIONS - The lessee is in compliance with the pollution, sanitation, and waste provisions of the lease.

NEXT ANNUAL REVIEW DATE: September 1, 1993.

Upon recommendation of Mr. Parmenter, the Director approved the annual review for SULA 705.

SPECIAL USE LEASES (CONT'D)

SULA 960 - CANCELLATION OF APPLICATION & TRANSFER OF FUNDS TO RIGHT OF ENTRY APPLICATION - ROE 3642

The above-referenced Special Use application, applied for by Ken Guest, DBA Powder Ridge Ski Touring, 7124 West HWY 30, Petersboro, Utah 84325, is to be canceled. The property covered by this application is located within Franklin Basin and has been withdrawn by the Board from surface lease activity. Mr. Guest is aware of this, and has made application to use the land under Right of Entry No. 3642.

The applicant has deposited \$175.00 with the Division (\$100.00 for SULA application, plus \$75.00 for advertising costs). Because of the withdrawal, the Division is unable to issue a SULA on this parcel of land.

Upon the recommendation of Mr. Tripp, the Director approved the transfer of the \$175.00 now on deposit for SULA 960 to ROE 3642, and the cancellation of Special Use Lease Application No. 960.

* * * * *

PREDESIGNATION

PREDESIGNATION NUMBER 28 - MINE RECLAMATION

On October 19, 1992, the Division received a written request from the Division of Oil, Gas & Mining (DOGM) to utilize soil test plots near Des-Bee-Dove Mine at the following location:

Township 17 South, Range 7 East SLB&M
Section 36: NW4NW4

This is an experimental reclamation project consisting of application of sewage sludge material at the above location. The intent of this reclamation project is to promote regeneration of vegetation as well as prevent erosion at mine sites. There are four proposed test plots with each plot measuring approximately 15' x 100' in size.

Upon recommendation of Mr. Parmenter, the Director approved the above-referenced reclamation project.

* * * * *

INTEREST RATE


CURRENT YEAR

YEAR AGO


Base Rate

6.00

7.50



RICHARD J. MITCHELL, DIRECTOR
DIVISION OF STATE LANDS & FORESTRY



CANDEE H. PENMAN, SECRETARY

ARCHIVES APPROVAL NO. 7900209